



UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.

Issued by the Department of Transportation on **May 18, 2004**

NOTICE OF ACTION TAKEN -- DOCKET OST-2004-17888

This serves as notice to the public of the action described below, taken by the Department official indicated (no additional confirming order will be issued in this matter).

Application of **AMERICAN AIRLINES, INC.,** filed **5/17/04** for:

XX Exemption under 49 U.S.C. §40109 to provide the following service:

Scheduled foreign air transportation of persons, property, and mail between the terminal point Chicago, Illinois, and the terminal point Monterrey, Mexico. American proposes to use the authority by placing its "AA" code on the flights of Compania Mexicana de Aviacion, S.A. de C.V. (Mexicana)¹

Applicant rep: **Carl B. Nelson, Jr. (202) 496-5647** DOT Analyst: **Linda L. Lundell (202) 366-2336**

DISPOSITION

XX Granted, subject to conditions (see below).

The action above was effective when taken: **May 18, 2004,** through **May 18, 2006**.

Action taken by: Paul L. Gretch, Director
Office of International Aviation

XX Authority granted is consistent with the aviation agreement between the United States and Mexico.

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:

XX Holder's certificates of public convenience and necessity

XX Standard Exemption Conditions (attached)

Special Conditions/Remarks: The U.S.-Mexico exemption authority granted is subject to the dormancy notice requirements set forth in condition 7 of Appendix A of Order 88-10-2. The exemption authority granted is limited to operations conducted on a code-share basis only.

We acted on this application without awaiting expiration of the 15-day answer period with the consent of all parties served with the application.

On the basis of data officially noticeable under Rule 24(g) of the Department's regulations, we found the applicant qualified to provide the services authorized.

Under authority assigned by the Department in its regulations, 14 CFR Part 385, we found that (1) our action was consistent with Department policy; (2) grant of the application was consistent with the public interest; and (3)

¹ We recently granted to American and Mexicana authorizations to conduct various code-share services, including statements of authorization to provide the Chicago-Monterrey services proposed here (see Notice of Action Taken dated April 29, 2004, in Docket OST-2004-16945). In Docket OST-2004-16945, however, American/Mexicana mistakenly listed the Chicago-Monterrey market as a city-pair in which American already held the requisite underlying authority. American states in the instant application that, while American did hold Chicago-Monterrey certificate authority on Route 560 (Order 2000-5-31, May 30, 2000), American suspended service on the route in 2001 and, accordingly, the authority automatically expired 90 days thereafter.

grant of the authority would not constitute a major regulatory action under the Energy Policy and Conservation Act of 1975. To the extent not granted, we denied all requests in the referenced Docket. We may amend, modify, or revoke the authority granted in this Notice at any time without hearing at our discretion.

Persons entitled to petition the Department for review of the action set forth in this Notice under the Department's regulations, 14 CFR §385.30, may file their petitions within seven (7) days after the date of issuance of this Notice. This action was effective when taken, and the filing of a petition for review will not alter such effectiveness.

An electronic version of this document is available on the World Wide Web at:

http://dms.dot.gov/reports_aviation.asp

U.S. Carrier Exemption Conditions

In the conduct of the operations authorized, the U.S. carrier applicant(s) shall:

- (1) Hold at all times effective operating authority from the government of each country served;
- (2) Comply with applicable requirements concerning oversales contained in 14 CFR 250 (for scheduled operations, if authorized);
- (3) Comply with the requirements for reporting data contained in 14 CFR 241;
- (4) Comply with requirements for minimum insurance coverage, and for certifying that coverage to the Department, contained in 14 CFR 205;
- (5) Except as specifically exempted or otherwise provided for in a Department Order, comply with the requirements of 14 CFR 203, concerning waiver of Warsaw Convention liability limits and defenses;
- (6) Comply with all applicable requirements of the Federal Aviation Administration and with all applicable U.S. Government requirements concerning security, including, but not limited to, 49 CFR Part 1544. To assure compliance with all applicable U.S. Government requirements concerning security, the holder shall, before commencing any new service (including charter flights) to or from a foreign airport, contact its International Principal Security Inspector (IPSI) to advise the IPSI of its plans and to find out whether the Transportation Security Administration has determined that security is adequate to allow such airport(s) to be served; and
- (7) Comply with such other reasonable terms, conditions, and limitations required by the public interest as may be prescribed by the Department of Transportation, with all applicable orders and regulations of other U.S. agencies and courts, and with all applicable laws of the United States.

The authority granted shall be effective only during the period when the holder is in compliance with the conditions imposed above.